

INITIAL STATEMENT OF REASONS

- a) Specific Purpose of the Regulations and Factual Basis for Determination that Regulations Are Necessary

Section 44-111.48

Specific Purpose and Factual Basis:

This section is adopted to create a title for the topics of benefits and related allowances from the United States Department of Veterans Affairs (VA) in the subparagraphs beneath it.

Section 44-111.481

Specific Purpose:

This section is adopted to specify that education, training, vocation, and rehabilitation are types of benefits and related allowances received from the VA that are exempt from consideration as income for California Work Opportunity and Responsibility to Kids (CalWORKs) eligibility purposes.

Factual Basis:

This adoption is necessary to comply with Welfare and Institutions Code (WIC) section 11250.9 as added by Senate Bill (SB) 570 (Chapter 463, Statutes of 2017), which established the income exemption.

Section 44-111.481(a)

Specific Purpose:

This section is adopted to specify the types of education, training, vocation and rehabilitation benefits and related allowances received from the VA that are exempt from consideration as income for CalWORKs eligibility purposes. This section provides the benefits and allowances as examples, but explains the list is not exhaustive.

Factual Basis:

Examples of types of income exempt under WIC section 11250.9 are necessary to assist County Welfare Departments (CWDs) in determining the VA benefits and related allowances that are exempt under this section.

Section 44-111.481(b)

Specific Purpose:

This section is adopted to specify the individuals eligible to receive the benefits and related allowances exemption.

Factual Basis:

This adoption is necessary to comply with Welfare and Institutions Code (WIC) section 11250.9 as added by Senate Bill (SB) 570 (Chapter 463, Statutes of 2017), which specified the individuals eligible for the income exemption.

Handbook Section 44-111.481(b)

Specific Purpose:

This handbook section is adopted to provide CWDs with a scenario of how the exemption for education, training, vocation and rehabilitation benefits and related allowances received from the VA shall be calculated.

Factual Basis:

This adoption provides an explanation and is supplemental to the preceding regulation sections. The example will assist CWDs with determining the VA benefits and related allowances exempt under this section.

b) Identification of Documents Upon Which Department Is Relying

SB 570 (Chapter 463, Statutes of 2017)
WIC section 11250.9

c) Local Mandate Statement

These regulations do impose a mandate on local agencies, but not on school districts. There are no "state-mandated local costs" in these regulations which require state reimbursement.

d) Statement of Alternatives Considered

In developing the regulatory action, CDSS did not consider alternatives because SB 570 exempts the education, training, vocation and rehabilitation benefits and related allowances received from the VA in WIC section 11250.9. CDSS is legally required to adopt regulations for this WIC section.

CDSS must determine that no reasonable alternative considered or that has otherwise been identified and brought to the attention of CDSS would be more

effective in carrying out the purpose for which the regulations are proposed, or would be as effective as and less burdensome to affected private persons than the proposed action, or would be more cost-effective to affected private persons and equally effective in implementing the statutory policy or other provision of law.

e) Statement of Significant Adverse Economic Impact on Business

CDSS has made an initial determination that the proposed action will not have a significant, statewide adverse economic impact directly affecting businesses, including the ability of California businesses to compete with businesses in other states. This determination was made based on the fact that these regulation changes only impact CalWORKs applicants and recipients.

f) Economic Impact Assessment

In accordance with Government Code (GC) section 11346.3(b), CDSS has made an initial determination that there is no impact on California businesses as a result of filing these regulations because these regulations are only applicable to county agencies. CDSS is amending the regulations to provide counties with guidance on the statutory requirements of WIC section 11250.9, which was added with the enactment of SB 570.

Creation or elimination of jobs within California

The adoption of the proposed regulations will neither create nor eliminate jobs in the State of California, since the proposed regulations only impact applicants and recipients of the CalWORKs program.

Creation of New or Elimination of Existing Businesses Within the State of California

The adoption of the proposed regulations will neither create nor eliminate businesses in the State of California, since the proposed regulations implement only impact applicants and recipients of the CalWORKs program.

Expansion of businesses currently doing business with the State

The adoption of the proposed regulations will not lead to the expansion of businesses currently doing business with the State of California, since the proposed regulations implement only impact applicants and recipients of the CalWORKs program.

Benefits of the regulations

The benefits of the regulatory action to the health and welfare of California residents, worker safety, and the state's environment are as follows: The adopted regulations are expected to increase CalWORKs recipients' financial independence and provide a positive impact to the state economy. There are no additional benefits for worker safety or the state's environment, since the regulations only impact CalWORKs applicants and recipients.

Documents Relied Upon

SB 570 (Chapter 463, Statutes of 2017)

WIC section 11250.9

g) Benefits Anticipated from Regulatory Action

The amendments to the CalWORKs regulations as required by SB 570 will benefit CalWORKs recipients. The exempt benefits and related allowances were previously considered unearned income, which may have resulted in applicants and recipients becoming ineligible for CalWORKs benefits and services. The previous policy may have discouraged applicants and recipients from obtaining additional education and experience to improve their employment prospects and financial independence.

h) Statement of Specific Technology or Equipment

This regulatory action will not mandate the use of new, specific technologies, or equipment. While not required by the statute, automation in the State Automated Welfare Systems is necessary for effective and efficient implementation in the CalWORKs program.